

## IN THE SPECIFICATION

Please amend paragraph 36 as follows:

--The OLT 32 preferably comprises a transponder 44, a bidirectional multiplexing/demultiplexing device 35 including a multiplexer (MUX) 36[,]] and a demultiplexer (DEMUX) 38, and amplifiers 40 and 42, and the OLT 34 preferably comprises a transponder 54, a bidirectional multiplexing/demultiplexing device 45 including a multiplexer (MUX) 46[,]] and a demultiplexer (DEMUX) 48, and amplifiers 50 and 52. Preferably, the MUXs 36 and 46 and DEMUXs 38 and 48 are Wavelength-Division-Multiplexed (WDM) devices.--

Please amend paragraph 37 as follows:

~~--In other embodiments the embodiment of this invention shown in Fig. 3,~~  
the multiplexer 36 and demultiplexer 38 of OLT 32 ~~may be~~ are shown as embodied as a  
~~single in~~ single in multiplexer/demultiplexer (MUX/DEMUX) ~~35,~~  
demultiplexer 48 of OLT 34 also ~~may be~~ are embodied as a single in MUX/DEMUX ~~45;~~  
~~rather than as separate devices as depicted in Fig. 3. It is within the scope of this invention~~  
for the multiplexer 36 and demultiplexer 38 of OLT 32 to be embodied either as separate  
devices or single multiplexer/demultiplexer (MUX/DEMUX) devices, and for the  
multiplexer 46 and demultiplexer 48 of OLT 34 to be embodied either as separate devices  
or single MUX/DEMUX devices. Also, the transponders 44 and 54 of the respective OLTs  
32 and 34 preferably are bidirectional transponders, although in other embodiments, a

plurality of unidirectional transponders may be employed instead, or no such transponders need be employed in the OLTs 32 and 34.--